

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

In the Matter of the Application and)	
Request of the S&T Telephone)	Docket No. 14-S&TT-525-KSF
Cooperative, Inc., for an Increase in its)	
Cost-Based Kansas Universal Service)	
Fund Support.)	

**DIRECT TESTIMONY
PREPARED BY
KATIE L. FIGGS
UTILITIES DIVISION
KANSAS CORPORATION COMMISSION
September 30, 2014**

1 **Q. Would you please state your name and business address?**

2 A. My name is Katie L. Figs. My business address is 1500 Southwest Arrowhead Road,
3 Topeka, Kansas, 66604.

4
5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by the Kansas Corporation Commission (KCC or Commission) as a
7 Regulatory Auditor.

8
9 **Q. Would you please describe your educational background and business experience?**

10 A. I received a Bachelor's of Business Administration with an emphasis in Accounting from
11 Washburn University in May of 2011. I began employment with the Commission in my
12 current capacity in August 2012.

13
14 **Q. Have you ever testified before the Commission?**

15 A. Yes. I have filed testimony before the Commission in Docket Nos. 12-LHPT-875-AUD,
16 13-JBNT-437-KSF, 13-PLTT-678-KSF, and 14-ATMG-320-RTS.

17
18 **Q. What were your responsibilities in the review of S&T Telephone Cooperative, Inc.'s**
19 **(Applicant or S&T) May 15, 2014, Application?**

20 A. My responsibilities as a regulatory auditor were to analyze, audit, and review S&T's
21 filing before the Commission to determine its cost-based Kansas Universal Service Fund
22 (KUSF) support to reflect its current revenue requirement and circumstances. In
23 addition, I calculated and am sponsoring selected Staff adjustments to S&T's Pro Forma

Income Statement as well as the Staff Schedules. My duties were carried out under the direction of the Senior Auditor, Kristina Luke Fry, and the Chief of Accounting and Financial Analysis, Justin Grady.

I am sponsoring Staff Schedules and the following Pro Forma Adjustments to the Income Statement (IS) and the Rate Base (RB):

Adjustments to the Income Statement

IS-3	Advertising	(\$15,372)
IS-4	Dues and Donations	(\$8,435)
IS-5	Lobbying	(\$4,435)
IS-6	Property Taxes	(\$31,036)
IS-7	KUSF Support	(\$19,322)
IS-8	Audit Expense	(\$16,001)

Adjustments to the Rate Base

RB-7	Cash Working Capital	(\$7,957)
------	----------------------	-----------

STAFF ACCOUNTING SCHEDULES

Q. Are you sponsoring Staff Accounting Schedules?

A. Yes.

Q. Please summarize how Staff's Accounting Schedules are organized.

A. Summary schedules are presented first with the Schedules showing the derivation of the recommended adjustments following. The elements comprising the proposed revenue requirements are summarized on Staff Schedule REV REQ. Staff's proposed Rate Base

1 is brought forward from Staff Schedule A-1, Staff Adjusted and Pro Forma Rate
2 Base. Similarly, Staff's adjusted net operating income recommendations are brought
3 forward from Staff Schedule B-1, Staff Adjusted and Pro Forma Operating Income
4 Statement. Staff's cost of capital recommendation is set forth on Staff Schedule C-1,
5 Capital Structure. The Schedules are organized as follows:

<u>Schedule</u>	<u>Explanation</u>
Rev Req	Lists individual components of Staff's pro forma revenue requirement calculation, delineated between total company, interstate, and intrastate.
A-1	Test Year Rate Base, as adjusted by S&T and Staff, on a total company basis, separations factors, and amounts allocated to interstate.
A-2	Lists Staff's individual adjustments to S&T's pro forma test year Rate Base.
A-3	Calculates Cash Working Capital (CWC), as adjusted by S&T and Staff.
A-4	Contains an explanation of Staff's Rate Base adjustments.
B-1	Contains the test year income statement, as adjusted by S&T and Staff, delineated on a total-company basis, separations factors, and amounts allocated to the interstate and intrastate jurisdictions.
B-2	Lists Staff's individual adjustments to S&T's pro forma test year income statement.
B-3	Contains an explanation of Staff's income statement adjustments.

1 B-4-1 Shows the calculation of S&T's interest expense.
2 C-1 Shows S&T's test year and Staff adjusted capital structure.
3 D-1 Shows the calculation of S&T's Times Interest Earned Ratio
4 (TIER) and Debt Service Coverage (DSC) ratio.
5

6 **Q. Are Staff's adjustments allocated to the interstate and intrastate jurisdictions prior**
7 **to inclusion in Staff's schedules?**

8 A. No. Staff calculated its adjustments on a total-company basis, with the adjustments
9 allocated between the interstate and intrastate jurisdictions, based on separations
10 factors. Some amounts, such as audit expense, are directly assigned to the appropriate
11 jurisdiction. Staff witness Roxie McCullar sponsors testimony regarding the review of
12 S&T's separations study.
13

14 **INCOME STATEMENT ADJUSTMENTS**

15 **Q. Please begin by discussing Staff Adjustment No. 3 to the Income Statement.**

16 A. Staff Adjustment No. 3 (IS-3) decreases S&T's operating expenses by \$15,372¹ on a total
17 company basis, or \$11,385 on an intrastate basis. Staff removed expenses related to
18 corporate image advertising, corporate goodwill, and other miscellaneous costs Staff
19 contends are inappropriate for recovery through the KUSF. Staff's sampling of invoices
20 and documents and Staff's review of S&T's general ledger indicated that several
21 accounts included corporate image advertising costs. Staff's adjustment removes these
22 costs. Exhibit KLF-1a lists these costs by account, which are excluded from KUSF

¹ See Exhibit KLF-1 and 1a.

1 support, and the totals of the account balances are brought forward to Exhibit KLF-1. As
2 supported by prior Commission Order,² these expenses are not to be recovered through
3 the KUSF support mechanism.

4
5 **Q. Please continue by discussing Staff Adjustment No. 4 to the Income Statement.**

6 A. Staff Adjustment No. 4 (IS-4) decreases S&T's operating expenses by \$8,435³ on a total
7 company basis, or \$4,853 on an intrastate basis. Staff removed 50% of dues, donations
8 and contributions made by S&T to various vendors in accordance with K.S.A. 66-
9 1,193(a) which states that "the Commission may adopt a policy of disallowing a
10 percentage, not to exceed 50%, of utility dues, donations and contributions to charitable,
11 civic and social organizations and entities, in addition to disallowing specific dues,
12 donations and contributions which are found unreasonable or inappropriate."

13
14 **Q. Please continue by discussing Staff Adjustment No. 5 to the Income Statement.**

15 A. Staff Adjustment No. 5 (IS-5) decreases S&T's operating expenses by \$4,435⁴ on a total
16 company basis, or \$2,459 on an intrastate basis. Staff's adjustment removed 100% of the
17 lobbying expenses recorded by S&T during the test year. The Commission has
18 historically disallowed political contributions, lobbying, and legislative expenses as costs
19 that cannot be recovered from customers or through KUSF support.⁵ Lobbying is not
20 necessary for the provision of safe and reliable utility service and benefits the Company
21 more than it does ratepayers, if at all. Staff's adjustment is consistent with past

² See June 25, 2001, Commission Order in Docket No. 01-RRLT-083-AUD, ¶ 32.

³ See Exhibit KLF-2 and 2a.

⁴ See Exhibit KLF-3 and 3a.

⁵ See June 26, 2001, Commission Order in Docket No. 01-RRLT-083-AUD, page 10, ¶ 29.

1 Commission practice to remove all expenses related to lobbying that were included in the
2 cost of service.

3
4 **Q. Please continue by discussing Staff Adjustment No. 6 to the Income Statement.**

5 A. Staff Adjustment No. 6 (IS-6) increases S&T's test year other operating taxes by \$31,036
6 on a total company basis, or \$20,768 on an intrastate basis.⁶ Staff's adjustment to
7 property taxes is comprised of three components. The starting point for Staff's
8 adjustment is the 2013 property tax invoices in the amount of \$557,200.

9 The second component of Staff's adjustment to S&T's filed property tax expense
10 is the reduction in property taxes in the amount of \$112,383 for the 2013 Kansas Telecom
11 Credit.⁷ This reduction to property tax expense is a refundable credit and is available
12 upon filing of the annual Kansas Income Tax Return. This credit, though applied towards
13 the Company's state income taxes payable, is a credit to offset the assessment rate on
14 telecommunications property, which results in a reduction of property taxes paid by S&T.

15 The third component details Staff's calculation to determine the property tax
16 expense allocable to the non-regulated portion of the Company's general support assets
17 and plant assets. Staff's starting point for the determination of the property tax allocated
18 to non-regulated assets is the Total Plant in Service as of December 31, 2013. Staff used
19 its calculated percentage, as discussed in the testimony of Staff Witness Ann Diggs, for
20 the general support assets to determine the appropriate percentage of regulated general
21 support assets. In addition, Staff calculated the percentage of regulated assets applicable
22 to digital switching, circuit equipment, and buried cable. Exhibit KLF-4(b) calculates an

⁶ See Exhibit KLF-4, 4a, and 4b.

⁷ See Exhibit KLF-7 for a copy of the response to Staff Data Request No. 93.

1 overall regulated percentage of 97.79% resulting in total regulated property taxes
2 recoverable through the KUSF of \$435,009.

3 Staff's adjusted 2013 property taxes are then compared to S&T's normalized
4 property taxes of \$403,973, with the difference being Staff's adjustment.
5

6 **Q. Please continue by discussing Staff Adjustment No. 7 to the Income Statement.**

7 A. Staff Adjustment No. 7 (IS-7) decreases S&T's Total Revenue by \$19,322 on a total
8 company basis.⁸ Staff's adjustment recognizes known and measurable changes to the
9 Company's KUSF support effective March 1, 2014, that were not reflected in the
10 Company's filing.
11

12 **Q. Please continue by discussing Staff Adjustment No. 8 to the Income Statement.**

13 A. Staff Adjustment No. 8 (IS-8) decreases S&T's test year operating expense by \$16,001
14 on a total company basis.⁹ This adjustment is necessary to include actual audit expense
15 incurred in this Docket as of August 31, 2013. Pursuant to the Company's response to
16 Staff Data Request No. 43, S&T has incurred to date \$44,375 of external costs related to
17 this Docket.

18 The Commission's Fiscal Office informed Staff that the maximum assessment for
19 S&T is \$28,048 for this fiscal year (July 1 – June 30) pursuant to K.S.A. 66-1502(a),
20 which states that a jurisdictional utility's annual maximum assessment is 0.6 percent of
21 intrastate revenues. S&T has already been assessed and paid a total of \$2,428 in KCC
22 assessments. The remaining maximum assessment for this docket is \$25,621 (the

⁸ See Exhibit KLF-5.

⁹ See Exhibit KLF-6.

1 maximum assessment of \$28,048 less \$2,428 that has been assessed). To date, the KCC
2 has incurred \$31,545 in expenses related to this Docket.

3 Total audit expense to date is \$69,996; the expenses incurred by S&T in the
4 amount of \$44,375 plus the maximum assessment incurred by Staff of \$25,621.

5 Consistent with prior KUSF Dockets, this amount should be amortized over a five-year
6 period, resulting in an annual audit expense amortization of \$13,999.

7
8 **Q. Should the Commission reduce the Company's KUSF support once the audit**
9 **expense has been fully recovered?**

10 **A.** Yes. Staff would recommend that the Commission require S&T to reduce the approved
11 KUSF draw by the audit expense amortization. This recommendation is consistent with
12 the April 17, 2013, Order Granting Joint Motion for Approval of Craw-Kan's Annual
13 Cost Based Support and for Approval of Additional Requirements. As stated on Page 5,
14 Paragraph 16 of the Order, "With regard to Craw-Kan's audit expense, the Commission
15 agrees that audit expense should be recovered over a five-year amortization period.
16 However, once these expenses have been fully recovered, Craw-Kan's KUSF support
17 should be reduced accordingly by removing any portions relating to audit expense. This
18 provision ensures Craw-Kan will recover the full amount of its audit expense but does not
19 over-recover from the KUSF."

RATE BASE ADJUSTMENT

Q. Please continue with your discussion of Staff's proposed adjustment to Cash Working Capital (CWC).

A. Staff Adjustment No. 7 (RB-7) decreases total company CWC by \$5,406 and directly assigns to intrastate operations a CWC level of \$132,308.¹⁰ This adjustment computes a CWC allowance using Staff's adjusted expense amounts and the Standard Allowance Method (SAM). This adjustment is shown on Schedule A-3 of the Staff Accounting Schedules.

At paragraph 62 of the Order dated September 10, 2001, in Docket No. 01-SNKT-544-AUD, the Commission stated that, while it prefers an individualized company lead-lag study, it recognizes that such a study could be cost prohibitive to some companies. The Commission indicated that if a company uses the SAM to calculate CWC in its filings with the Federal Communications Commission (FCC) and National Exchange Carriers Association (NECA), the Commission will accept a company's use of the SAM in KUSF audits. S&T utilizes the SAM to calculate CWC in its filings with the FCC and NECA.

Additionally, the Commission stated: "The Commission will not routinely adopt an adjustment to the Standard Allowance Method, proposed either by the company or by Staff, unless it reflects a factual circumstance of that company that has a material impact on its CWC need and that is not otherwise captured in the methodology."

¹⁰ Staff's adjustment reduces S&T's CWC balance of \$214,716 by \$7,957, resulting in a total CWC balance of \$206,759. Of that amount, \$130,695 is then allocated to intrastate operations.

1 Q. Will the CWC requirement need to be updated if Staff's adjusted income statement
2 changes?

3 A. Yes. Any Commission decision that results in changes to Staff's adjusted income
4 statement will also result in a change to S&T's CWC requirements.
5

6 Q. Does this conclude your testimony?

7 A. Yes, thank you.
8

9 **SUMMARY OF EXHIBITS**

10	<u>Exhibit No.</u>	<u>Description</u>
11	KLF-1	Work paper for advertising expense adjustment
12	KLF-1a	Detail for advertising expense adjustment
13	KLF-2	Work paper for dues and donations expense adjustment
14	KLF-2a	Detail for dues and donations expense adjustment
15	KLF-3	Work paper for lobbying expense adjustment
16	KLF-3a	Detail paper for lobbying expense adjustment
17	KLF-4	Work paper for property tax expense adjustment
18	KLF-4a	Detail listing of 2013 taxes
19	KLF-4b	Allocation of regulated property taxes
20	KLF-5	2013 Kansas Telecom Credit
21	KLF-6	Work paper for audit expense
22	KLF-7	S&T's Response to Staff Data Request No. 93

S&T Telephone Cooperative Association
Advertising
Income Statement Adjustment No. 3
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-1

Line No.	Description	Total Company	Intrastate Separations	Intrastate Adjustment
1	Staff Adjustment to Marketing Management (Acct. 6610)	\$ 14,832	0.747297	\$ 11,084
2	Staff Adjustment to Services Expense (Acct. 6620)	13	0.647209	9
3	Staff Adjustment to General & Administrative Expense (Acct. 6720)	527	0.554422	292
4	Staff Adjustment to Advertising	\$ 15,372		\$ 11,385
<u>Breakdown of Adjustment:</u>				
5	Marketing Management (Acct. 6610)			
6	Staff Adjustment to Marketing Management (Account 6610.000)	\$ 14,672		
7	Staff Adjustment to Marketing - Directory Telephone (Account 6610.100)	160		
8	Total Staff Adjustment to Marketing Management (Acct. 6610)		\$ 14,832	
9	Services Expense (Acct. 6620)			
10	Staff Adjustment to Commercial Customer Services (Account 6623.100)	\$ 13		
11	Total Staff Adjustment to Services Expense (Acct. 6620)		\$ 13	
12	General & Administrative Expense (Acct. 6720)			
13	Staff Adjustment to Gen Acctg & Finance (Account 6721.000)	\$ 47		
14	Staff Adjustment to External Relations (Account 6722.000)	393		
15	Staff Adjustment to Human Resources Expense (Account 6723.000)	14		
16	Staff Adjustment to Other General & Administrative (Account 6728.100)	74		
17	Total Staff Adjustment to General & Administrative Expense (Acct. 6720)		\$ 527	

Source: S&T Telephone Cooperative's response to Staff Data Request No.34

S&T Telephone Cooperative Association
Advertising Detail
Income Statement Adjustment No. 3
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-1(a)
Page 1 of 3

Line No.	Date	Vendor	Description	Reason	Assosiated File of DR#34	Dollar	Percentage Removed	Total
Marketing Management - Account 6610,000								
1	1/2/2013	J-R Marketing	CCC/CHS Sports ads - Communications	Sports Sponsorship	CK 78375 J-R Marketing	\$ 27.30	100%	\$ 27.30
2	1/2/2013	J-R Marketing	CCC/CHS Sports ads - Telephone	Sports Sponsorship	CK 78375 J-R Marketing	27.30	100%	27.30
3	12/31/2012	S&T Communications Media Services	Media Ads	Not Safety Related	CK 78387 S&T Media Services	1,178.52	100%	1,178.52
4	1/8/2013	KGCR FM Radio (107.7)	Ad - Underwrite Tri-State Area News	Informational	CK 78419 KGCR	16.80	50%	8.40
5	1/8/2013	KKCI - FM Radio	Holiday Season/Computer Department	Not Safety Related	CK 78421 KKCI	46.20	100%	46.20
6	1/8/2013	KRDQ - FM Radio	Computer Department/Holiday Season	Not Safety Related	CK 78422 KRDQ	44.10	100%	44.10
7	1/8/2013	Oakley Graphic	Ads - Sports and Church	Sponsorships	CK 78430 Oakley Graphic	15.96	100%	15.96
8	1/18/2013	Dighton High School	Ad in Basketball Program	Sponsorship	CK 78492 Dighton High School	73.50	50%	36.75
9	1/18/2013	Leroy's Printing & Publishing Inc	Ad in Thomas County Christmas Activity Book	Sponsor	CK 78497 Leroy's Printing	42.00	100%	42.00
10	2/6/2013	J-R Marketing	CCC/CHS Sports ads - Communications	Sports Sponsorship	CK 78575 J-R Marketing	27.30	100%	27.30
11	2/6/2013	J-R Marketing	CCC/CHS Sports ads - Telephone	Sports Sponsorship	CK 78575 J-R Marketing	27.30	100%	27.30
12	2/6/2013	Rocking M Radio	Colby Home Show	Not Safety Related	CK 78592 Rocking M Radio	121.80	100%	121.80
13	2/1/2013	S&T Communications Media Services	Media Ads	Not Safety Related	CK 78594 S&T Media Services	547.47	100%	547.47
14	2/14/2013	Castle Rock Printers Inc	Thunderhawk Sponsor	Sponsorship	CK 78631 Castle Rock Printers	8.40	100%	8.40
15	2/14/2013	Dighton Herald	Healy Sports	Sports Sponsorship	CK 78635 Dighton Herald	3.15	100%	3.15
16	2/14/2013	KRDQ - FM Radio	Technology Keeps Changing Ad	Not Safety Related	CK 78645 KRDQ	94.50	50%	47.25
17	2/14/2013	KWGB - FM Radio	Technology Keeps Changing Ad	Not Safety Related	CK 78646 KWGB	94.50	50%	47.25
18	2/14/2013	Oakley Graphic	Ads - Sports and Church	Sponsorships	CK 78649 Oakley Graphic	19.95	100%	19.95
19	3/6/2013	Castle Rock Printers Inc	Thunderhawk Sponsor	Sponsorship	CK 78740 Castle Rock Printers	6.72	100%	6.72
20	3/6/2013	Dighton Herald	Healy Sports	Sports Sponsorship	CK 78756 Dighton Herald	3.15	100%	3.15
21	3/6/2013	J-R Marketing	CCC/CHS Sports ads - Communications	Sports Sponsorship	CK 78767 J-R Marketing	27.30	100%	27.30
22	3/6/2013	J-R Marketing	CCC/CHS Sports ads - Telephone	Sports Sponsorship	CK 78767 J-R Marketing	27.30	100%	27.30
23	3/6/2013	Oakley Graphic	Ads - Sports and Church	Sponsorships	CK 78788 Oakley Graphic	45.36	100%	45.36
24	3/4/2013	S&T Communications Media Services	Media Ads	Not Safety Related	CK 78796 S&T Media Services	556.92	100%	556.92
25	3/11/2013	Tumbleweed Chorus	32nd Annual Show - Advertising and Tickets	Sponsorship	CK 78862 Tumbleweed Chorus	18.90	50%	9.45
26	4/3/2013	Castle Rock Printers Inc	Thunderhawk Sponsor	Sponsorship	CK 78932 Castle Rock Printers	6.72	100%	6.72
27	4/3/2013	Dighton Herald	Ads - Sports	Sports Sponsorship	CK 78946 Dighton Herald	8.40	100%	8.40
28	4/2/2013	J-R Marketing	CCC/CHS Sports ads - Telephone	Sports Sponsorship	CK 78954 J-R Marketing	27.30	100%	27.30
29	4/2/2013	J-R Marketing	CCC/CHS Sports ads - Communications	Sports Sponsorship	CK 78954 J-R Marketing	27.30	100%	27.30
30	4/2/2013	J.F. Beaver Advertising	S&T Pens with Logo	Not Safety Related	CK 78955 J.F. Beaver Advertising	278.26	50%	139.13
31	4/3/2013	Oakley Graphic	Ads - Sports and Church	Sports Sponsorship	CK 78970 Oakley Graphic	15.96	100%	15.96
32	4/11/2013	Farmers Bank & Trust	Cash for Survey Winners	Donation	CK 79007 Farmers Bank & Trust	84.00	50%	42.00
33	4/9/2013	Brewster Lions	Ad in Birthday Calendar	Sponsorship	CK 79008 Brewster Lions	25.20	50%	12.60
34	4/11/2013	Cornerstone Group	Spring 2013 Newsletter	Informational	CK 79014 Cornerstone Group	1,125.04	50%	562.52
35	4/8/2013	KRDQ - FM Radio	Technology Keeps Changing Ad	Not Safety Related	CK 79026 KRDQ	54.60	50%	27.30
36	4/8/2013	KWGB - FM Radio	Technology Keeps Changing Ad	Not Safety Related	CK 79027 KWGB	52.50	50%	26.25
37	4/8/2013	KXXX - AM Radio	Technology Keeps Changing Ad	Not Safety Related	CK 79028 KXXX	54.60	50%	27.30
38	4/8/2013	S&T Communications Media Services	Media Ads	Not Safety Related	CK 79039 S&T Media Services	636.93	100%	636.93
39	4/15/2013	Eagle Talon	Ad in the Eagle Talon Newspaper of Colby High School	Not Safety Related	CK 79079 Eagle Talon	18.90	50%	9.45
40	5/1/2013	J-R Marketing	CCC/CHS Sports ads - Communications	Sports Sponsorship	CK 79176 J-R Marketing	27.30	100%	27.30
41	5/1/2013	J-R Marketing	CCC/CHS Sports ads - Telephone	Sports Sponsorship	CK 79176 J-R Marketing	27.30	100%	27.30
42	5/1/2013	S&T Communications Media Services	Media Ads	Not Safety Related	CK 79192 S&T Media Services	530.46	100%	530.46
43	5/14/2013	Castle Rock Printers Inc	Ads - Thunderhawk sponsor	Sports Sponsorship	CK 79265 Castle Rock Printers	6.72	100%	6.72
44	5/14/2013	Dighton Herald	Healy Sports	Sports Sponsorship	CK 79270 Dighton Herald	3.15	100%	3.15
45	5/14/2013	KLOE - AM Radio	Technology Keeps Changing Ad	Not Safety Related	CK 79279 KLOE	86.10	50%	43.05
46	5/14/2013	KRDQ - FM Radio	Technology Keeps Changing Ad	Not Safety Related	CK 79280 KRDQ	105.00	50%	52.50
47	5/14/2013	Oakley Graphic	Ads - Sports and Church	Sports Sponsorship	CK 79290 Oakley Graphic	15.96	100%	15.96
48	5/21/2013	Leroy's Printing & Publishing Inc	Cutting Charge/Town Hall Meeting Postcards	Informational	CK 79328 Leroy's Printing	12.39	50%	6.20
49	6/6/2013	Castle Rock Printers Inc	Ads - Thunderhawk and Graduation Sponsor	Sponsorships	CK 79377 Castle Rock Printers	8.82	100%	8.82
50	6/6/2013	Dighton Lions Club	Lions Club Sponsorship for Calendar	Sponsorship	CK 79391 Dighton Lions Club	10.50	50%	5.25
51	6/6/2013	Dighton Herald	4x7.5 Fiber Future/Graduation	Newspaper Ads	CK 79392 Dighton Herald	17.85	100%	17.85
52	6/3/2013	J-R Marketing	CCC/CHS Sports ads - Communications	Sports Sponsorship	CK 79403 J-R Marketing	31.50	100%	31.50
53	6/3/2013	J-R Marketing	CCC/CHS Sports ads - Telephone	Sports Sponsorship	CK 79403 J-R Marketing	31.50	100%	31.50
54	6/3/2013	K & J Foods	Beverages for Town Hall Meeting	Not Safety Related	CK 79406 K&J Foods	8.16	100%	8.16
55	6/6/2013	KKCI - FM Radio	Technology Keeps Changing Ad	Not Safety Related	CK 79410 KKCI	98.70	50%	49.35
56	6/6/2013	KRDQ - FM Radio	Technology Keeps Changing Ad	Not Safety Related	CK 79412 KRDQ	92.40	50%	46.20

S&T Telephone Cooperative Association
Advertising Detail
Income Statement Adjustment No. 3
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-1(a)
Page 2 of 3

Line No.	Date	Vendor	Description	Reason	Associated File of DR#34	Dollar	Percentage Removed	Total
57	6/6/2013	Oakley Graphic	Technology Keeps Changing Ad	Not Safety Related	CK 79421 Oakley Graphics	16.13	50%	8.07
58	6/3/2013	S&T Communications Media Services	Media Ads	Not Safety Related	CK 79425 S&T Media Services	1,547.49	100%	1,547.49
59	7/2/2013	J-R Marketing	CCC/CHS Sports ads - Communications	Sports Sponsorship	CK 79608 J-R Marketing	31.50	100%	31.50
60	7/2/2013	J-R Marketing	CCC/CHS Sports ads - Telephone	Sports Sponsorship	CK 79608 J-R Marketing	31.50	100%	31.50
61	7/2/2013	S&T Communications Media Services	Media Ads	Not Safety Related	CK 79622 S&T Media Services	1,041.18	100%	1,041.18
62	7/11/2013	Halo Branded Solutions, Inc.	Mints for Marketing Department	Not Safety Related	CK 79661 Halo Branded Solutions	244.69	50%	122.35
63	7/11/2013	Oakley Graphic	Ads - Church	Not Safety Related	CK 79686 Oakley Graphic	3.36	100%	3.36
64	7/12/2013	Cornerstone Group	Summer 2013 Newsletter	Informational	CK 79716 Cornerstone Group	1,074.81	50%	537.41
65	8/6/2013	Dighton Herald	Lane County Fair	Sponsorship	CK 79804 Dighton Herald	6.30	100%	6.30
66	8/2/2013	J-R Marketing	CCC/CHS Sports ads - Communications	Sports Sponsorship	CK 79816 J-R Marketing	31.50	100%	31.50
67	8/2/2013	J-R Marketing	CCC/CHS Sports ads - Telephone	Sports Sponsorship	CK 79816 J-R Marketing	31.50	100%	31.50
68	8/6/2013	Oakley Graphic	Ads - Church and Colby Fair	Not Safety Related	CK 79832 Oakley Graphic	16.80	100%	16.80
69	8/1/2013	S&T Communications Media Services	Media Ads	Not Safety Related	CK 79840 S&T Media Services	1,270.50	100%	1,270.50
70	8/21/2013	Leroy's Printing & Publishing Inc	Ad in 2013 Thomas County Fair Supplement	Not Safety Related	CK 79945 Leroy's Printing	42.00	100%	42.00
71	9/4/2013	S&T Communications Media Services	Media Ads	Not Safety Related	CK 80033 S&T Media Services	876.96	100%	876.96
72	9/13/2013	Castle Rock Printers Inc	Ads - Thunderhawk Sponsor	Sports Sponsorship	CK 80058 Castle Rock Printers	5.04	100%	5.04
73	9/13/2013	J-R Marketing	CCC/CHS Sports ads - Communications	Sports Sponsorship	CK 80067 J-R Marketing	27.30	100%	27.30
74	9/13/2013	J-R Marketing	CCC/CHS Sports ads - Telephone	Sports Sponsorship	CK 80067 J-R Marketing	27.30	100%	27.30
75	9/13/2013	Leroy's Printing & Publishing Inc	Ad on Brewster School Calendar	Not Safety Related	CK 80073 Leroy's Printing	21.00	100%	21.00
76	9/13/2013	Oakley Graphic	Ads - Church, Back-to-School, and Sports	Not Safety Related	CK 80082 Oakley Graphic	14.91	100%	14.91
77	10/1/2013	J-R Marketing	CCC/CHS Sports ads - Telephone	Sports Sponsorship	CK 80212 J-R Marketing	27.30	100%	27.30
78	10/1/2013	J-R Marketing	CCC/CHS Sports ads - Communications	Sports Sponsorship	CK 80212 J-R Marketing	27.30	100%	27.30
79	10/1/2013	S&T Communications Media Services	Media Ads	Not Safety Related	CK 80227 S&T Media Services	742.77	100%	742.77
80	10/8/2013	Brewster High School	Yearbook Ad	Not Safety Related	CK 80258 Brewster HS	56.70	50%	28.35
81	10/8/2013	Castle Rock Printers Inc	Ads - Thunderhawk Sponsor	Sports Sponsorship	CK 80260 Castle Rock Printers	6.72	100%	6.72
82	10/10/2013	Colby Free Press	Ads - Sports Sponsor	Sports Sponsorship	CK 80265 Colby Free Press	4.80	50%	2.40
83	10/8/2013	Cornerstone Group	Fall 2013 Newsletter	Informational	CK 80266 Cornerstone Group	537.41	50%	268.71
84	10/8/2013	Golden Plains High School	Yearbook Ad	Not Safety Related	CK 80274 Golden Plains HS	21.00	50%	10.50
85	10/8/2013	Oakley Graphic	Ads - Church and Sports Sponsorships	Not Safety Related	CK 80296 Oakley Graphic	32.76	100%	32.76
86	10/14/2013	Oakley High School	Yearbook Ad	Not Safety Related	CK 80365 Oakley HS	27.30	50%	13.65
87	10/22/2013	Healy Public Schools	Yearbook Ad	Not Safety Related	CK 80398 Healy HS	29.40	50%	14.70
88	10/22/2013	Triplains High School	Yearbook Ad	Not Safety Related	CK 80424 Triplains HS	21.00	50%	10.50
89	11/6/2013	Castle Rock Printers Inc	Ads - Thunderhawk sponsor	Sports Sponsorship	CK 80439 Castle Rock Printers	8.40	100%	8.40
90	11/6/2013	Dighton High School	Yearbook Ad	Not Safety Related	CK 80456 Dighton HS	31.50	50%	15.75
91	11/6/2013	Goodland High School	Yearbook Ad	Not Safety Related	CK 80462 Goodland HS	42.00	50%	21.00
92	11/5/2013	J-R Marketing	CCC/CHS Sports ads - Telephone	Sports Sponsorship	CK 80468 J-R Marketing	27.30	100%	27.30
93	11/5/2013	J-R Marketing	CCC/CHS Sports ads - Communications	Sports Sponsorship	CK 80468 J-R Marketing	27.30	100%	27.30
94	11/6/2013	Oakley Graphic	Ads - Sports and Church	Not Safety Related	CK 80482 Oakley Graphic	53.55	100%	53.55
95	11/4/2013	S&T Communications Media Services	Media Ads	Not Safety Related	CK 80486 S&T Media Services	931.98	100%	931.98
96	11/14/2013	Dighton Herald	Ads - Cross Country Sponsor	Sports Sponsorship	CK 80517 Dighton Herald	8.40	100%	8.40
97	12/4/2013	J-R Marketing	CCC/CHS Sports ads - Communications	Sports Sponsorship	CK 80646 J-R Marketing	27.30	100%	27.30
98	12/4/2013	J-R Marketing	CCC/CHS Sports ads - Telephone	Sports Sponsorship	CK 80646 J-R Marketing	27.30	100%	27.30
99	12/4/2013	S&T Communications Media Services	Media Ads	Not Safety Related	CK 80664 S&T Media Services	881.37	100%	881.37
100	12/10/2013	Castle Rock Printers Inc	Ads - Thunderhawk sponsor	Sports Sponsorship	CK 80705 Castle Rock Printers	6.72	100%	6.72
101	12/10/2013	Dighton Herald	Ads - Sports	Sports Sponsorship	CK 80708 Dighton Herald	12.60	100%	12.60
102	12/16/2013	Oakley Graphic	Ads - Sports and Church	Not Safety Related	CK 80785 Oakley Graphic	53.76	100%	53.76
103	12/20/2013	Western Associates Inc	White Vinyl Calendars/Second Color Run Charge	Not Safety Related	CK 80797 Western Assoc	256.21	100%	256.21
104					Staff Adjustment to Marketing Management (Account 6610.000)	\$		14,671.58

S&T Telephone Cooperative Association
Advertising Detail
Income Statement Adjustment No. 3
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-1(a)
Page 3 of 3

Line No.	Date	Vendor	Description	Reason	Assosiated File of DR#34	Dollar	Percentage Removed	Total
Marketing - Directory Telephone - Account 6610.100								
105	10/8/2013	Cornerstone Group	Fall 2013 Newsletter	Informational	CK 80266 Cornerstone Group	\$ 319.89	50%	\$ 159.95
106					Staff Adjustment to Marketing - Directory Telephone (Account 6610.100)			\$ 159.95
Commercial Customer Services - Account 6623.100								
107	6/6/2013	Dighton Herald	4x7.5 Fiber Future/Graduation	Newspaper Ads	CK 79392 Dighton Herald	\$ 6.80	100%	\$ 6.80
108	6/6/2013	Oakley Graphic	Technology Keeps Changing Ad	Not Safety Related	CK 79421 Oakley Graphics	12.90	50%	6.45
109					Staff Adjustment to Commercial Customer Services (Account 6623.100)			\$ 13.25
Gen Acctg & Finance - Account 6721.000								
110	6/6/2013	Dighton Herald	4x7.5 Fiber Future/Graduation	Newspaper Ads	CK 79392 Dighton Herald	\$ 27.20	100%	\$ 27.20
111	6/6/2013	Oakley Graphic	Technology Keeps Changing Ad	Not Safety Related	CK 79421 Oakley Graphics	38.70	50%	19.35
112					Staff Adjustment to Gen Acctg & Finance (Account 6721.000)			\$ 46.55
External Relations - Account 6722.000								
113	10/8/2013	Tournament Program Advertising	Topside Tipoff Inc	Not Safety Related	CK 8310 Topside Tipoff Inc.	\$ 42.00	50%	\$ 21.00
114	8/20/2013	G-Club Banner	Goodland High School	Not Safety Related	CK 79936 Goodland High School	73.50	50%	36.75
115	11/26/2013	Advertising Sign	Colby Trap Club	Not Safety Related	CK 80607 Colby Trap Club	210.00	50%	105.00
116	12/16/2013	Ads	KKCI-FM	Not Safety Related	CK 80776 KKCI-FM	96.60	100%	96.60
117	12/16/2013	Ads	KRDQ	Not Safety Related	CK 80778 KRDQ-FM	96.60	100%	96.60
118	12/16/2013	2014 Calendar Ad	Thomas County Historical Society	Not Safety Related	CK 80789 Thomas County Historical Society	52.50	50%	26.25
119	12/16/2013	Business Card Ad	Topside Tipoff Inc	Not Safety Related	CK 80790 Topside Tipoff Inc	21.00	50%	10.50
120					Staff Adjustment to External Relations (Account 6722.000)			\$ 392.70
Human Resources Expense - Account 6723.000								
121	10/10/2013	Colby Free Press	Ads - Sports Sponsor	Sports Sponsorship	CK 80265 Colby Free Press	\$ 28.80	50%	\$ 14.40
122					Staff Adjustment to Human Resources Expense (Account 6723.000)			\$ 14.40
Other General & Administrative - Account 6728.100								
123	6/3/2013	K & J Foods	Beverages for Town Hall Meeting	Not Safety Related	CK 79406 K&J Foods	\$ 73.77	100%	\$ 73.77
124					Staff Adjustment to Other General & Administrative (Account 6728.100)			\$ 73.77
125					Staff Adjustment to Advertising - Prior to Separations			\$ 15,372.19

Source: S&T Telephone Cooperative's response to Staff Data Request No.34

S&T Telephone Cooperative Association
Dues and Donations
Income Statement Adjustment No. 4
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-2

Line No.	Description	Total Company	Intrastate Separations	Intrastate Adjustment
1	Staff Adjustment to General & Administrative Expense (Acct. 6720)	\$ 3,095	0.554422	\$ 1,716
2	Staff Adjustment to Contributions and Fees (Acct. 7370)	5,340	0.587481	3,137
3	Staff Adjustment to Dues and Donations	\$ 8,435		\$ 4,853

Breakdown of Adjustment:

4	General & Administrative Expense (Acct. 6720)			
5	Staff Adjustment to External Relations (Account 6722.000)	\$ 4,940		
6	Staff Adjustment to General & Administrative Expense (Acct. 6720)		\$ 4,940	
7	S&T's Cost Study Adjustment to Donations		(1,845)	
8	Total Staff Adjustment to General & Administrative Expense (Acct. 6720)		\$ 3,095	
9	Contributions and Fees (Acct. 7370)			
10	Staff Adjustment to Special Charges (Account 7370.000)	\$ 5,340		
11	Staff Adjustment to Contribution and Fees (Acct. 7370)		\$ 5,340	

Source: S&T Telephone Cooperative's response to Staff Data Request No. 36, 37, 39, and 56

S&T Telephone Cooperative Association
Dues and Donations Detail
Income Statement Adjustment No. 4
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-2(a)
Page 1 of 3

Line No.	Date	Vendor	Description	Reason	Dollar	Percentage Removed	Total
<u>External Relations - Account 6722.000</u>							
1	1/3/2013	John F Fikan Memorial	Hospice	Donation	\$ 21.00	50%	\$ 10.50
2	1/8/2013	Sponsor F.A.T.E. Concert	Oakley Chamber of Commerce	Sponsorship	42.00	100%	42.00
3	2/4/2013	Donation	Blazin Saddles Drill Team	Donation	21.00	50%	10.50
4	2/4/2013	Orange & Black Tournament Sponsor	Colby High School	Sponsorship	52.50	100%	52.50
5	2/4/2013	Donation	Lane County Health Department	Donation	84.00	50%	42.00
6	2/4/2013	Irene C. Ziegler Memorial	St. Agnes Catholic Church	Donation	21.00	50%	10.50
7	2/4/2013	Sponsor Substate Basketball	Triplain High School	Sponsorship	10.50	100%	10.50
8	2/14/2013	Donation	Ducks Unlimited	Donation	136.50	50%	68.25
9	2/18/2013	2013 Contribution	Foundation for Rural Service	Donation	210.00	50%	105.00
10	2/22/2013	Donation	Goodland Wrestling Club	Donation	21.00	50%	10.50
11	3/6/2013	Donation for Easter Egg Hunt	Annie Oakley 4-H Club	Donation	10.50	50%	5.25
12	3/6/2013	Sponsor	Goodland Baseball Club	Sponsorship	73.50	100%	73.50
13	3/12/2013	Donation for Fish Fry	Brewster Grocery Inc.	Donation	84.00	50%	42.00
14	3/14/2013	Donation	Dighton Recreation	Donation	10.50	50%	5.25
15	3/11/2013	Donation	Pheasants Forever	Donation	126.00	50%	63.00
16	3/11/2013	Food for Business After Five	Sunflower Kitchen Bakery	Donation	88.62	50%	44.31
17	3/29/2013	3-29-13 Money for Easter Egg Hunt	First National Bank	Donation	5.04	50%	2.52
18	4/1/2013	Sponsor	Colby Trap Club	Sponsorship	241.50	100%	241.50
19	4/9/2013	Donation for After Prom	Brewster Booster Club	Donation	21.00	50%	10.50
20	4/9/2013	Donation for Art Walk	Rebel Jay	Donation	42.00	50%	21.00
21	4/9/2013	Footballs for Tri-Plains/Brewster School	Sports Promotion Network	Donation	172.16	50%	86.08
22	4/9/2013	Golf Sponsorship	Wild West Catbackers	Sponsorship	42.00	100%	42.00
23	4/15/2013	Sponsor Golf Tournament	Sacred Heart Catholic Church	Sponsorship	42.00	100%	42.00
24	4/15/2013	2013 Flag Project	Sons of the American Legion	Donation	21.00	50%	10.50
25	4/22/2013	Donation for Door Prizes	Tri-County Cruisers	Donation	42.00	50%	21.00
26	5/10/2013	Rent for Danielle Wolf Benefit	American Legion	Donation	157.50	50%	78.75
27	5/14/2013	Sponsor Little League	Goodland Activities Center	Sponsorship	42.00	100%	42.00
28	5/14/2013	Sponsor Golf Tournament	Goodland Wrestling Club	Sponsorship	42.00	100%	42.00
29	5/22/2013	Sponsor Rotary Chamber Golf Tournament	Colby Chamber of Commerce	Sponsorship	52.50	100%	52.50
30	5/9/2013	5-3-13 Sponsor Flower Pots	Colleen Rall	Sponsorship	21.00	100%	21.00
31	6/6/2013	Sponsor Golf Tournament	Citizens Foundation	Sponsorship	168.00	100%	168.00
32	6/6/2013	Sponsor	Grinnell After Harvest Festival	Sponsorship	126.00	100%	126.00
33	6/12/2013	Renew Outfield Sign for 2013	Colby Baseball	Donation	63.00	50%	31.50
34	6/12/2013	Donation	Knights of Columbus	Donation	31.50	50%	15.75
35	6/17/2013	Donation	Colby Swim Club	Donation	10.50	50%	5.25
36	6/17/2013	Donation for Fireworks	Kiwanis Club of Thomas County	Donation	42.00	50%	21.00
37	6/17/2013	Oakley Idol Contest Sponsor	Oakley Chamber of Commerce	Sponsorship	21.00	100%	21.00
38	6/25/2013	Grandstand Sponsor	Logan County Fair Board	Sponsorship	42.00	100%	42.00
39	6/25/2013	Sponsor Buckle	Logan County Fair	Sponsorship	63.00	100%	63.00
40	6/21/2013	Donate Meat for Hospital Tournament	Meadow Lake	Donation	127.81	50%	63.91
41	6/21/2013	Sponsor Slice of Life Benefit	Northwest Kansas Area Medical Foundation	Sponsorship	630.00	100%	630.00
42	6/21/2013	Sponsor 4-H Plaque	Sherman County 4-H Council	Sponsorship	14.70	100%	14.70

S&T Telephone Cooperative Association
Dues and Donations Detail
Income Statement Adjustment No. 4
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-S25-KSF
Exhibit KLF-2(a)
Page 2 of 3

Line No.	Date	Vendor	Description	Reason	Dollar	Percentage Removed	Total
43	6/21/2013	Sponsor	Western Plains Art Association	Sponsorship	84.00	100%	84.00
44	7/12/2013	Donation	Back Yard Bash	Donation	42.00	50%	21.00
45	7/11/2013	Donation	Colby Girls Fast Pitch Association	Donation	21.00	50%	10.50
46	7/11/2013	Donation for 4-H Livestock Sale	Lane County Extension Office	Donation	42.00	50%	21.00
47	7/11/2013	Sponsor Buffalo Chip Golf Tourn	Meadow Lake	Sponsorship	42.00	100%	42.00
48	7/11/2013	Sponsor Annie Oakley Golf Tourn	Oakley Country Club	Sponsorship	42.00	100%	42.00
49	7/11/2013	Meal Sponsorship	Sweet Swinger Golf Tournament	Sponsorship	315.00	100%	315.00
50	7/23/2013	T-Shirts for 4-H	MJ's Stitching & Screening	Donation	83.92	50%	41.96
51	7/12/2013	7-12-13 Nickels for Parade	First National Bank	Donation	6.72	50%	3.36
52	8/2/2013	Donation/125th Celebration	NW KS Heritage Center	Donation	63.00	50%	31.50
53	8/2/2013	Sponsor	Colby Community College Volleyball	Sponsorship	105.00	100%	105.00
54	8/6/2013	Donation	Goodland Activities Center	Donation	42.00	50%	21.00
55	8/1/2013	Donation	Kansas Shrine Bowl	Donation	8.40	50%	4.20
56	8/6/2013	Donation	NWKTC Rodeo Team	Donation	63.00	50%	31.50
57	8/1/2013	Donation	Oakley K-18 Baseball	Donation	42.00	50%	21.00
58	8/1/2013	Sponsor	Ride-N-Slide Racing	Sponsorship	42.00	100%	42.00
59	8/1/2013	Basketballs/Tri-Plains/Brewster	Sports Promotion Network	Sponsorship	172.16	100%	172.16
60	8/14/2013	Donation	CCC Mens Basketball	Donation	420.00	50%	210.00
61	8/14/2013	Donation	OHS Booster Club	Donation	42.00	50%	21.00
62	8/14/2013	Sponsorship	Tri-State Royal	Sponsorship	105.00	100%	105.00
63	8/20/2013	2013/2014 Field Banner	CHS All Sports Booster Club	Sponsorship	42.00	100%	42.00
64	8/20/2013	Hole Sponsor for Golf Tournament	Hi Plains Shrine Club	Sponsorship	21.00	100%	21.00
65	8/28/2013	Donation	Brewster Booster Club	Donation	42.00	50%	21.00
66	9/13/2013	Donation	Black & Gold Booster Club	Donation	29.12	50%	14.56
67	9/13/2013	Donation	NWKTC Engineering Tech	Donation	42.00	50%	21.00
68	9/19/2013	Donation	NW Kansas Bike Show	Donation	10.50	50%	5.25
69	9/19/2013	Donation	St. Ann's Altar Society	Donation	10.50	50%	5.25
70	10/2/2013	Reimburse/Supplies for Parade	Carolyn Somers	Costumes	12.27	100%	12.27
71	10/2/2013	Supplies for Homecoming Float	Craft Peddler	Donation	4.05	50%	2.03
72	10/8/2013	Sponsor Ambassador Classic	Colby Ambassadors	Sponsorship	16.80	100%	16.80
73	10/9/2013	Sponsor	Tumbleweed Tumblers	Sponsorship	31.50	100%	31.50
74	10/14/2013	Business Card Sponsor	NW Kansas Animal Shelter	Sponsorship	42.00	100%	42.00
75	10/21/2013	Brett William Mock Memorial	Kanakuk Camp, Branson, Missouri	Donation	42.00	50%	21.00
76	10/22/2013	Donation	Colby H.S. Student Council	Donation	10.50	50%	5.25
77	10/22/2013	Electrothon Donation	Dighton High School	Donation	21.00	50%	10.50
78	10/22/2013	Wichita Childrens Theatre Donation	Dighton High School	Donation	42.00	50%	21.00
79	10/22/2013	Youth Health Fair Donation	Healy Public School	Donation	10.50	50%	5.25
80	10/22/2013	Sponsorship	Topside Tipoff Inc	Sponsorship	252.00	100%	252.00
81	10/17/2013	10-17-13 Tootsie Roll Drive	Knights of Columbus	Donation	10.50	50%	5.25
82	10/25/2013	10-17-13 Tootsie Roll Drive	Knights of Columbus	Donation	4.20	50%	2.10
83	11/6/2013	Donation	Goodland Elks Lodge #1528	Donation	42.00	50%	21.00
84	11/25/2013	Donation	Pheasants Forever	Donation	42.00	50%	21.00
85	12/5/2013	Supplies/Dighton Office	K&J Foods	Donation	7.78	50%	3.89
86	12/10/2013	WKLL & NWKL Tournament Sponsor	Open Spaces Sports, Inc	Sponsorship	336.00	100%	336.00

S&T Telephone Cooperative Association
Dues and Donations Detail
Income Statement Adjustment No. 4
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-2(a)
Page 3 of 3

Line No.	Date	Vendor	Description	Reason	Dollar	Percentage Removed	Total
87	12/16/2013	Tournament Score Clock Sponsor	Colby Wrestling Club	Sponsorship	42.00	100%	42.00
88	12/19/2013	Cookies for Open House	Sunflower Kitchen Bakery	Donation	131.04	50%	65.52
89	12/23/2013	Donation/Christmas Treat Project	Brewster Lions	Donation	21.00	50%	10.50
90	12/23/2013	Cookies/Town Hall Meeting in May	Dighton Bowl & Diner	Donation	26.16	50%	13.08
91	12/23/2013	Cookies for Christmas Open House	Dighton Bowl & Diner	Donation	28.35	50%	14.18
92			Staff Adjustment to External Relations (Account 6722.000)				\$ 4,940.37
		<u>Special Charges - Account 7370.000</u>					
93	1/2/2013	Fort Hays State University	Scholarship / Nicole Beesley	Donation	\$ 250.00	50%	\$ 125.00
94	1/8/2013	Kansas State University	Scholarship / Augustus Lamb	Donation	250.00	50%	125.00
95	1/14/2013	North Central Kansas Technical College	Scholarship / Jerray Nichols	Donation	250.00	50%	125.00
96	1/18/2013	St. Olaf College	Scholarship / Lydia Peterson	Donation	250.00	50%	125.00
97	1/30/2013	Fort Hays State University	Scholarship / Clem Fellhoelter	Donation	250.00	50%	125.00
98	1/30/2013	Kansas State University	Scholarship / Melody Dickman	Donation	250.00	50%	125.00
99	5/30/2013	Emporia State University	Scholarship / Ashley Fulkerson	Donation	750.00	50%	375.00
100	5/30/2013	Kansas State University	Scholarship / Augustus Lamb	Donation	250.00	50%	125.00
101	7/9/2013	Colorado State University	Scholarship / Jesse Gaskill	Donation	250.00	50%	125.00
102	7/9/2013	Colorado State University	Scholarship / Mikayla Boyce	Donation	250.00	50%	125.00
103	7/9/2013	Fort Hays State University	Scholarship / Luis Hernandez	Donation	250.00	50%	125.00
104	7/9/2013	Fort Hays State University	Scholarship / Colleen Bosley	Donation	250.00	50%	125.00
105	7/9/2013	Kansas State University	Scholarship / Melody Dickman	Donation	250.00	50%	125.00
106	7/9/2013	North Central Kansas Technical College	Scholarship / Wade Buck	Donation	250.00	50%	125.00
107	7/9/2013	Seward County Community College	Scholarship / Michael Schmidt	Donation	250.00	50%	125.00
108	7/25/2013	Fort Hays State University	Scholarship / Clem Fellhoelter	Donation	250.00	50%	125.00
109	8/6/2013	Fort Hays State University	Scholarship / Nicole Beesley	Donation	250.00	50%	125.00
110	8/15/2013	Fort Hays State University	Scholarship / Lakyn Mackley	Donation	250.00	50%	125.00
111	8/27/2013	Fort Hays State University	Scholarship / Hannah Speer	Donation	250.00	50%	125.00
112	9/11/2013	St. Olaf College	Scholarship / Lydia Peterson	Donation	250.00	50%	125.00
113	1/7/2013	Colby Promotion Group	First Quarter Dues	Due	90.00	50%	45.00
114	2/4/2013	Lane County Chamber of Commerce	Membership Dues	Due	100.00	50%	50.00
115	3/19/2013	Colby Promotion Group	Second Quarter Dues	Due	90.00	50%	45.00
116	4/2/2013	Colby Chamber of Commerce	Yearly Membership Dues	Due	550.00	50%	275.00
117	4/2/2013	Colby Chamber of Commerce	Annual Banquet / Corporate Table	Donation	250.00	50%	125.00
118	6/26/2013	Colby Promotion Group	Third Quarter Dues	Due	90.00	50%	45.00
119	9/26/2013	Colby Promotion Group	Fourth Quarter Dues	Due	90.00	50%	45.00
120	11/5/2013	Western Telecommunications Alliance	WTA Membership Dues	Due	3,919.00	50%	1,959.50
121	1/18/2013	Leroy's Printing & Publishing, Inc	Scholarship Slips	Donation	241.43	50%	120.72
122	1/7/2013	United Parcel Service	Shipping Charges / Scholarship Inserts	Donation	16.22	50%	8.11
123	12/5/2013	Leroy's Printing & Publishing, Inc	Scholarship Inserts	Donation	231.44	50%	115.72
124	1/31/2013	National Telecommunications Cooperative Association (NTCA)	2012 Cooperative Dues	Due	7,059.00	50%	3,529.50
125			Staff Adjustment to Special Charges (Account 7370.000)				\$ 5,339.50
126			Staff Adjustment to Dues and Donations - Prior to Separations				\$ 10,279.87

Source: S&T Telephone Cooperative's response to Staff Data Request Nos. 36, 37, and 39

S&T Telephone Cooperative Association
Lobbying
Income Statement Adjustment No. 5
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-3

Line No.	Description	Total Company	Intrastate Separations	Intrastate Adjustment
1	Staff Adjustment to General and Administrative Expense (Acct. 6720)	\$ 4,435	0.554422	\$ 2,459
2	Staff Adjustment to Contributions and Fees (Acct. 7370)	-	0.587481	-
3	Staff Adjustment to Lobbying	\$ 4,435		\$ 2,459

Breakdown of Adjustment:

4	General and Administrative Expense (Acct. 6720)			
5	Staff Adjustment to Legal Expense (Account 6725.000)	\$ 4,435		
6	Staff Adjustment to General and Administrative Expense (Acct. 6720)		\$ 4,435	
7	Contributions and Fees (Acct. 7370)			
8	Staff Adjustment to Special Charges (Account 7370.000)	\$ 5,189		
9	Staff Adjustment to Contributions and Fees (Acct. 7370)		\$ 5,189	
10	S&T's Cost Study Adjustment to Lobbying		(5,189)	
11	Total Staff Adjustment to Contributions and Fees (Acct. 7370)		\$ -	

Source: S&T Telephone Cooperative's response to Staff Data Request Nos.39 and 56
Source: S&T Telephone Cooperative's May 15, 2014 filing, Section 9

S&T Telephone Cooperative Association
Lobbying Detail
Income Statement Adjustment No. 5
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-3(a)

Line No.	Date	Vendor	Description	Dollar	Percentage of Lobbying	Total
<u>Legal Expense - Account 6725.000</u>						
1	3/13/2013	James M. Caplinger, Chartered	SITA Corporate Fees	\$ 7,126.00	38%	\$ 2,707.88
2	6/21/2013	James M. Caplinger, Chartered	SITA Corporate Fees	7,198.00	24%	1,727.52
3			Staff Adjustment to Legal Expense (Account 6725.000)			<u>\$ 4,435.40</u>
<u>Special Charges - Account 7370.000</u>						
4	4/22/2013	National Telecommunications Cooperative Association (NTCA)	USF/ICC Lobbying Expenses	\$ 2,000.00	100%	\$ 2,000.00
5	11/21/2013	State Independent Telephone Association of Kansas (SITA)	Lobbying Contribution	3,189.00	100%	3,189.00
6			Staff Adjustment to Special Charges (Account 7370.000)			<u>\$ 5,189.00</u>
7			Staff Adjustment to Lobbying - Prior to Separations			<u>\$ 9,624.40</u>

Source: S&T Telephone Cooperative's response to Staff Data Request No.39

S&T Telephone Cooperative Association
Property Taxes
Income Statement Adjustment No. 6
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-4

Line No.	Description	Total Company	Intrastate Separations	Intrastate Adjustment
1	Adjustment to Other Operating Taxes (Acct. 7240)	<u>\$ 31,036</u>	0.669151	<u>\$ 20,768</u>
<u>Breakdown of Adjustment:</u>				
2	Staff calculated 2013 Property Tax (Exhibit KLF-4a)		\$ 557,200	
3	Less: Available Telecom Credit		<u>\$ (112,383)</u>	
4	Staff Calculated 2013 Property Tax			\$ 444,817
5	Staff Calculated Regulated Percentage (Exhibit KLF-4b)			<u>97.79%</u>
6	Staff Calculated Regulated Property Tax			\$ 435,009
7	S&T's Property Tax Expense - Account 7240			<u>403,973</u>
8	Staff Adjustment for Property Taxes (Acct. 7240)			<u><u>\$ 31,036</u></u>

Source: S&T Telephone Cooperative's response to Staff Data Request Nos. 55 and 93

Source: S&T Telephone Cooperative's May 15, 2014 filing, Section 11 Schedule 1

S&T Telephone Cooperative Association
Property Taxes Detail
Income Statement Adjustment No. 6
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-4(a)
Page 1 of 3

Line No.	County	Statement Number	2013 Tax
1	Cheyenne	12005 \$	71.52
2		12048	17.57
3	Gove	6976	8,964.36
4		6977	127.60
5		6978	10,392.74
6		6979	1,714.12
7		6980	1,152.74
8		6981	2,286.98
9		6982	2,310.36
10		6983	60.10
11		6984	278.34
12		6985	93.84
13		6986	1,152.86
14		6987	606.84
15		6988	266.14
16		6989	754.56
17		6990	322.66
18		6991	2,265.64
19		6992	1,676.52
20		6993	543.84
21		6994	2,734.46
22	Logan	3287	8.33
23		3288	1.28
24		3289	52.97
25		3290	118.89
26		3291	451.82
27		3292	117.69
28		3293	12.70
29		3294	5,131.88
30		3295	23.97
31		3296	1,025.77
32		3297	1,187.94
33		3298	7,041.92
34		3299	631.68
35		3300	3,861.74
36		3301	39.20
37		3302	881.06
38		3303	3,799.32
39		3304	239.22
40		3305	2,303.56
41		3306	448.39
42		3307	2,444.75
43	Lane	5841	15,867.54
44		5842	16,072.16
45		5843	462.42
46		5844	237.32
47		5845	1,056.92

S&T Telephone Cooperative Association
Property Taxes Detail
Income Statement Adjustment No. 6
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-4(a)
Page 2 of 3

Line No.	County	Statement Number	2013 Tax
48		5846	1,477.32
49		5847	152.92
50		5848	443.34
51		5849	8,580.70
52		5850	12,415.82
53		5851	494.22
54		5852	762.78
55		5853	7,788.26
56		5854	1,016.92
57		5855	430.70
58		5856	3,148.28
59		5857	1,148.68
60	Ness	60100	81.72
61	Thomas	25025	10,401.76
62		25030	5,871.88
63		25034	1,501.74
64		25044	8,215.50
65		25052	11,956.54
66		25062	6,835.86
67		25073	5,167.32
68		25110	7,501.34
69		25115	490.42
70		25119	1,832.16
71		25123	149.78
72		25131	1,084.40
73		25136	296.02
74		25148	556.30
75		25152	3.70
76		25158	107.68
77		25164	718.60
78		25178	691.54
79		25184	346.70
80		25191	209.30
81		25194	349.88
82		25199	466.82
83		25204	14,388.06
84		25210	24,151.22
85		25217	2,568.44
86		25228	2,294.56
87		25234	1,422.40
88		25241	75,683.02
89		25253	82,381.96
90		25264	7,379.76
91		5426	1,526.26
92	Rawlins	6210	1,113.28
93		6211	369.32
94		6212	17.31
95		6213	491.73

S&T Telephone Cooperative Association
Property Taxes Detail
Income Statement Adjustment No. 6
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-4(a)
Page 3 of 3

Line No.	County	Statement Number	2013 Tax
96	Scott	5943	4.11
97		5944	310.22
98		5945	1,025.60
99		5946	170.58
100		5947	296.86
101		5948	101.90
102	Sheridan	4937	38.54
103		4938	205.46
104		4939	1,898.40
105		4940	1,579.34
106		4941	3,119.06
107		4942	168.60
108		4943	61.24
109		4944	9,060.92
110		4945	150.22
111		4946	150.50
112		4947	2,838.90
113	Sherman	4948	63.24
114		7512	70,893.28
115		7513	625.80
116		7514	8,180.20
117		7515	442.24
118		7516	6,874.56
119		7517	332.14
120		7518	354.82
121		7519	5,899.22
122		7520	6,318.18
123		7521	1,196.62
124		7522	1,875.04
125		7523	3,073.26
126		7524	3,339.30
127		7525	1,140.66
128		7526	3,543.16
129		7527	532.30
130		7528	101.48
131		7529	2,201.20
132	Wallace	3906	959.60
133		3907	275.04
134	Total 2013 Property Tax		<u>\$ 557,200.24</u>

Source: S&T Telephone Cooperative's response to Staff Data Request No. 55

S&T Telephone Cooperative Association
Non-Regulated Property Taxes
Income Statement Adjustment No. 6
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-4(b)

Staff Development of Non regulated percentage for property taxes for general support assets

Line No.	Account	Description	Balance 12/31/2013	Staff Regulated %	Regulated Balance
1	2111	Land	\$ 58,567	82.06%	\$ 48,060
2	2112	Vehicles	-	0.00%	0
3	2116	Other Work Equipment	134,466	57.57%	77,412
4	2121	Buildings	3,445,827	71.33%	2,457,908
5	2122	Furniture	228,821	68.11%	155,850
6	2123	Office Support Equipment	56,402	68.11%	38,415
7	2123.2	Other Communications Equipment	54,294	62.98%	34,194
8	2124	General Purpose Computer	-	0.00%	0
9		Total General Support Facilities	\$ 3,978,377		\$ 2,811,840
10	2212	COE Digital	3,771,451	100%	\$ 3,771,451
11	2212.1	COE Digital Equipment	682,740	100%	682,740
12	2230	COE Transmission	9,158,807	100%	9,158,807
13	2230.2	COE Transmission DSL	-	100%	-
14		Total Central Office Equipment	\$ 13,612,998		\$ 13,612,998
15	2411	Towers	\$ 21,944	100%	\$ 21,944
16	2421	Arial Cable	-	100%	-
17	2423	Buried Cable	15,568,130	100%	15,568,130
18	2423.2	Buried Cable-Fiber Optic	19,736,061	100%	19,736,061
19	2423.2	Buried Cable-Fiber Ring	-	100%	-
20	2431	Arial Wire	-	100%	-
21	2441	Conduit Systems	-	100%	-
22		Total Cable and Wire Facilities	\$ 35,326,135		\$ 35,326,135
23	2690	Intangibles	\$ 323		\$ 323
24		Total Plant in Service	\$ 52,917,833		\$ 51,750,973
25		Regulated Percentage			97.79%
26		Non regulated percentage			2.21%

Sources: Allocations provided in Ann Diggs testimony
S&T Telephone Cooperative's May 15, 2014 filing, Section 4

S&T Telephone Cooperative Association
KUSF Support
Income Statement Adjustment No. 7
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-5

Line No.	Description	Total Company	Intrastate Separation	Intrastate Adjustment
1	Adjustment to KUSF Support (Acct. 5001)	<u>(19,322)</u> <u>(19,322)</u>	1.000000	<u>\$ (19,322)</u> <u>(19,322)</u>
	KUSF			
2	KUSF Year 18 Support Calculation Worksheet (#26)		\$ 415,334	
3	S&T KUSF Balance - Section 9, Schedule 1, Line 3		<u>434,656</u>	
4	Staff Adjustment to KUSF			<u>\$ (19,322)</u>

Source: S&T Telephone Cooperative's May 15, 2014 filing, Section 9

S&T Telephone Cooperative Association
Audit Expense
Income Statement Adjustment No. 8
For the Test Year Ending December 31, 2013

Docket No. 14-S&TT-525-KSF
Exhibit KLF-6

Line No.	Description	Total Company	Intrastate Separations	Intrastate Adjustment
1	Adjustment to G&A Audit Expense (Acct. 6720)	\$ (16,001)	1.000000	\$ (16,001)
	<u>Breakdown of adjustment</u>			
2	S&T Telephone Cooperative Association, Inc. audit expenses		\$ 44,375	
3	KCC assessable audit expenses		25,621	
4	Total audit expenses		\$ 69,996	
5	Amortization period (years)		5	
6	Annual audit amortization			\$ 13,999
7	S&T's Adjustment for Audit Expense Section 9 - Acct. 6720			30,000
8	Staff Adjustment For Audit Expense (Acct. 6720)			<u>\$ (16,001)</u>
	<u>Detail of Audit Expense Calculations</u>			
	<u>Telcom Consulting Associates (TCA)</u>			
9	February 2014		\$ 159	
10	March 2014		2,198	
11	April 2014		9,372	
12	May 2014		13,558	
13	June 2014		2,875	
14	July 2014		3,958	
15	August 2014		6,480	
16	Total Moss Adams Consulting invoices			\$ 38,600
	<u>James Caplinger, Chartered</u>			
17	May 16, 2014		\$ 1,788	
18	May 23, 2014		275	
19	June 6, 2014		1,238	
20	June 13, 2014		275	
21	July 25, 2014		688	
22	August 8, 2014		688	
23	August 22, 2014		275	
24	August 29, 2014		550	
25	Total James Caplinger, Chartered invoices			\$ 5,775
26	Total S&T's audit expenses			<u>\$ 44,375</u>
	<u>KCC Maximum Assessment Calculation</u>			
27	Maximum assessment for fiscal year per Accounting		\$ 28,048	
28	Assessments to date (includes audit assessments)		\$ (2,428)	
29	Remaining Maximum Assessment for fiscal year		\$ 25,621	
30	Assessments for docket to date (included in assessments to date)		\$ -	
31	Maximum assessment for docket		\$ 25,621	
	<u>KCC audit expenses</u>			
32	Staff	\$ 20,248		
33	Expenses and Consultants	11,297		
34	Total KCC audit expenses		\$ 31,545	
35	KCC audit expenses			<u>\$ 25,621</u>

Source: S&T Telephone Cooperative's Response to Staff Data Request No. 43
Source: S&T Telephone Cooperative's May 15, 2014 filing, Section 9

Exhibit KLF-7

S&T's Response to
Staff Data Request No. 93

**Kansas Corporation Commission
Information Request**

Request No: 93

Company Name S&T TELEPHONE COOPERATIVE ASSOCIATION, I S&TT
Docket Number 14-S&TT-525-KSF
Request Date September 18, 2014
Date Information Needed September 29, 2014

RE: Property Taxes

Please Provide the Following:

Please provide any 2013 Kansas Telecom Credits realized by S&T. Please include the account(s)/subaccount(s), the amounts, and the dates the Company recorded the credits.

Submitted By Katie Figgs

Submitted To Daniel Meszler

Response:

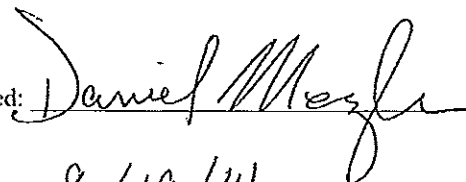
Kansas Telcom Credits totaled \$112,383 for the year ended 12/31/13. The amount was accrued as of 12/31/13 (See attached entry) and was filed for with the Department of Revenue by the extended Kansas tax return deadline of 09/15/14. Also see attached Kansas Telecommunications Credit Form K-36's.

If for some reason, the above information cannot be provided by the date requested, please provide a written explanation of those reasons.

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: _____



Date: _____

